
THE LIBRARY OF CONGRESS



FINANCIAL STATEMENTS FOR FISCAL 1996

April 1997

THE LIBRARY OF CONGRESS

FINANCIAL STATEMENTS FOR FISCAL YEAR 1996

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THE LIBRARIAN OF CONGRESS

April 30, 1997

The President of the Senate

The Speaker of the House of Representatives

SIRS:

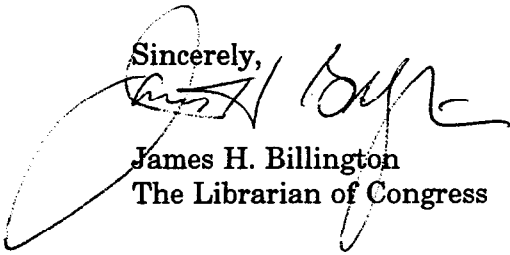
It is my pleasure to submit to you the Library's fiscal year 1996 financial statements and accompanying opinion of the independent accountants, KPMG Peat Marwick LLP.

Shortly after taking office in 1987, I requested the General Accounting Office (GAO) to conduct an independent assessment of the Library's financial condition, the first such assessment in the Library's history. GAO reported in 1991 that the Library's accounting systems suffered so many deficiencies that they were unable to render any opinion on the financial statements produced from those systems. Since then, the Library has made a number of improvements in its systems, most importantly installing a new financial management system in fiscal 1995. I am pleased to report that, as a result of these improvements, the independent accountants issued an unqualified "clean" opinion on the Library's fiscal 1996 Consolidated Financial Statements.

The preparation of auditable financial statements represents the fulfillment of a basic agency responsibility to safeguard the handling of public monies, and we plan to continue the preparation and audit of annual financial statements. The Library recognizes that further improvements are needed in its financial controls and the control of the Library's collections as documented in the accountability reports. We are preparing an updated strategic plan that will establish priorities for implementing further improvements.

The Library's stewardship of its financial affairs has reached one of the goals I set when I took office, and I commend the enclosed report to your attention.

Sincerely,


James H. Billington
The Librarian of Congress